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MARYLAND & DELAWARE RAILROAD

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July 28, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board

Surface Transportation Board 1925 K Street, N.W., Room 700 Washington, D.C. 20423-0001 ENTERED
Office of Proceedings

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Part of Public Record

RE:

Docket No. AB-900 - 7 3260

The Maryland and Delaware Railroad Company Termination of Modified Certificate and Notice

of Interim Trail Use

Dear Secretary Williams:

Pursuant to 49 C.F.R. § 1150.24, The Maryland and Delaware Railroad Company ("Railroad") hereby provides notice that it terminated service provided under a modified certificate of public convenience and necessity over the rail line segment between Clayton, Delaware and Easton, Maryland, MP 0.0 to MP 45.3, and a portion of Denton track between Queen Anne and Denton, Maryland, MP 0.0 to MP 8.8, U.S.R.A. Line Nos. 169/150 (collectively "Clayton-Easton Rail Line") owned by the State of Maryland.

Railroad was authorized to provide service on the Clayton-Easton Rail Line pursuant to a Modified Rail Certificate issued on March 30, 1978. Railroad has provided no local rail service on the Clayton-Easton Rail Line during the past five (5) years. There were no overhead movements on the Clayton-Easton Rail Line at such time.

Railroad joins in the concurrently-filed request of the Maryland Department of Transportation ("MDOT") for issuance of a Notice of Interim Trail Use ("NITU") under 49 C.F.R. § 1152.29 for the Clayton-Easton Rail Line, and is willing to negotiate a trails use/rail banking agreement with MDOT. The Board and its predecessor have previously held that an NITU may be issued in a proceeding where notice is filed under 49 C.F.R. § 1150.24 to terminate operations under a modified certificate. See

e.g., Sammamish Transportation Company -- Notice of Interim Trail Use and Termination of Modified Certificate, Finance Docket No. 33398 (Sub-No. 1) (STB served February 26, 1998); Wisconsin and Calumet Railroad Company, Inc.-Notice of Interim Trail Use and Termination of Modified Certificate. Finance Docket No. 30724 (Sub-No. 1) (ICC served August 8, 1989).

I certify that, in accordance with 49 C.F.R. § 1150.24(a), a copy of this notice has been served by first class mail, postage prepaid, upon the State of Maryland, at the address provided below.

Please feel free to contact me should any questions arise regarding this matter. Thank you for your assistance.

Respectfully submitted,

Edward G. Banks, Jr.

Chairman of the Board

Cc: David L. Ganovski
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 Maryland Department of Transportation
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